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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11
12 AMINI INNOVATION)
13 CORPORATION, a California)
14 corporation)

15 Plaintiff,)

16 v.)

17 MCFERRAN HOME FURNISHINGS,)
18 INC. A California)
19 corporation, SHARON LIN, an)
20 individual, and DOES 1-9,)
21 inclusive,)

22 Defendants.)
23

CV 13-6496 RSWL (SSx)

ORDER Re: DEFENDANTS'
MOTION FOR SUMMARY
JUDGMENT [46]

24 I. INTRODUCTION

25 Currently before the Court is Defendants McFerran Home
26 Furnishings, Inc. And Sharon Lin's Motion for Summary
27 Judgment [46]. The Court, having reviewed all papers
28 and arguments submitted pertaining to this Motion, **NOW
FINDS AND RULES AS FOLLOWS:** The Court **DENIES**

1 Defendant's Motion for Summary Judgment.

2 **II. DISCUSSION**

3 **A. Legal Standard**

4 Motion for Summary Judgment

5 Summary judgment is appropriate when there is no
6 genuine issue of material fact and the moving party is
7 entitled to judgment as a matter of law. Fed. R. Civ.
8 P. 56(a). A genuine issue is one in which the evidence
9 is such that a reasonable fact-finder could return a
10 verdict for the non-moving party. Anderson v. Liberty
11 Lobby, 477 U.S. 242, 248 (1986). The evidence, and any
12 inferences based on underlying facts, must be viewed in
13 a light most favorable to the opposing party. Diaz v.
14 American Tel. & Tel., 752 F.2d 1356, 1358 n.1 (9th Cir.
15 1985).

16 Where the moving party does not have the burden of
17 proof at trial on a dispositive issue, the moving party
18 may meet its burden for summary judgment by showing an
19 "absence of evidence" to support the non-moving party's
20 case. Celotex v. Catrett, 477 U.S. 317, 325 (1986).

21 The non-moving party, on the other hand, is
22 required by Federal Rule of Civil Procedure 56(e) to go
23 beyond the pleadings and designate specific facts
24 showing that there is a genuine issue for trial. Id.
25 at 324. Conclusory allegations unsupported by factual
26 allegations, however, are insufficient to create a
27 triable issue of fact so as to preclude summary
28 judgment. Hansen v. United States, 7 F.3d 137, 138

1 (9th Cir. 1993) (citing Marks v. Dep't of Justice, 578
2 F.2d 261, 263 (9th Cir. 1978)). A non-moving party who
3 has the burden of proof at trial must present enough
4 evidence that a "fair-minded jury could return a
5 verdict for the [opposing party] on the evidence
6 presented." Anderson, 477 U.S. at 255. In ruling on a
7 motion for summary judgment, the Court's function is
8 not to weigh the evidence, but only to determine if a
9 genuine issue of material fact exists. Id.

10
11 **B. Analysis**

12 a. *Request for Judicial Notice*

13 As a preliminary matter, Defendant requests that
14 the Court take judicial notice of United States Design
15 Patent No US D518,973 S, assigned to Ashley Furniture
16 Industries, Inc., entitled "Poster Bed," attached as
17 Exhibit 3 to the Motion. (Dkt. # 46-3). Because the
18 document is not subject to reasonable dispute and is
19 capable of accurate and ready determination by resort
20 to sources whose accuracy cannot reasonably be
21 questioned (see Lee v. City of L.A., 250 F.3d 668, 689
22 (9th Cir. 2001)), the Court **GRANTS** Defendant's Request
23 for Judicial Notice.

24 b. *Evidentiary Objections*

25 Defendant raises evidentiary objections to nearly
26 every part of every piece of Plaintiff's evidence. See
27 Dkt. ## 66-15-66-24. To the extent the Court relies
28 upon the objected to evidence in reaching its

1 conclusions, the Court has addressed those objections
2 below. See infra p. 23, 28. However, to the extent
3 the Court has not relied on the objected to evidence,
4 it need not rule on those evidentiary objections and
5 deems those objections **as MOOT**.

6 Plaintiff also raises two evidentiary objections to
7 Defendant's evidence. See Dkt. ## 60-15, 60-16. The
8 Court has not relied on the objected-to evidence in
9 coming to a conclusion and accordingly, need not rule
10 on the objections; instead, it deems them **as MOOT**.

11 *c. Motion for Summary Judgment*

12 *i. Trade Dress Infringement Claims*

13 To prevail on a claim for trade dress infringement,
14 Plaintiff must show that its products, here its
15 Hollywood Swank bedroom collection and its Villa
16 Valencia bed, have acquired secondary meaning.

17 Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205,
18 216 (2000). Summary judgment against Plaintiff on its
19 trade dress claims is only appropriate if Defendants
20 show that there is no genuine dispute as to any
21 material fact, and that they are entitled to judgment
22 as a matter of law. Here, Defendants argue there is no
23 genuine dispute as to any issue of material fact and
24 that as a matter of law, Plaintiff's products have not
25 acquired secondary meaning. Mot. 9:25-10:9. At the
26 outset, the Court notes that Defendants' arguments are
27 largely based on their interpretation of the evidence
28 and their comparative analysis of its quality. These

1 arguments that are not given great weight at the
2 summary judgment stage given the Court's obligation to
3 view the evidence in a light most favorable to the non-
4 moving party (here, to Plaintiff).

5 Secondary meaning, or acquired distinctiveness, is
6 the "mental association by a substantial segment of
7 consumers and potential customers between the alleged
8 trade dress and a single source of the product." Levi
9 Strauss & Co. v. Blue Bell, Inc., 778 F.2d 1352, 1354
10 (9th Cir.1985). A non-exhaustive list of factors
11 considered in determining whether a secondary meaning
12 has been achieved includes: (1) direct consumer
13 testimony or consumer perception; (2) exclusivity,
14 manner, and length of use; (3) amount and manner of
15 advertising; (4) amount of sales and number of
16 customers; (5) established place in the market; (6)
17 actual confusion; and (7) proof of intentional copying
18 by the defendant. Filipino Yellow Pages, Inc. v. Asian
19 Journal Publ'ns, Inc., 198 F.3d 1143, 1152 (9th Cir.
20 1999)). These factors can be shown through direct and
21 circumstantial evidence. 2 J. Thomas McCarthy,
22 Trademarks and Unfair Competition § 15:30 (4th ed.
23 1997). The Court views the evidence in the light most
24 favorable to Plaintiff, and because of the intensely
25 factual nature of trademark disputes, summary judgment
26 is generally disfavored. Entrepreneur Media, Inc. v.
27 Smith, 279 F.3d 1135, 1140 (9th Cir. 2002).

28 In moving for summary judgment regarding the issue

1 of secondary meaning, Defendants address each of the
2 factors listed above in arguing that their evidence
3 shows Plaintiff's products have not achieved secondary
4 meaning. To begin, this approach is problematic,
5 because this list of factors is non-exhaustive and the
6 factors are to be evaluated comprehensively, with
7 different factors being given different weight
8 depending on the situation. See 2 J. Thomas McCarthy,
9 Trademarks and Unfair Competition § 15:30 (4th
10 ed.1997). Further, while Defendants repeatedly assert
11 there is no genuine issue as to any material fact,
12 their summary judgment motion is largely comprised of
13 simple comparative analysis of each side's evidentiary
14 offerings—in short, Defendants are asking the Court to
15 act not as summary adjudicator, but as the trier of
16 fact on questions properly left to a jury.

17 On the secondary meaning question, for example,
18 Defendants contend that Plaintiff has submitted no
19 evidence that consumers perceive the Villa Valencia and
20 Hollywood Swank product designs as originating from a
21 single source; instead, Defendants have shown that the
22 primary significance of the design to customers is the
23 visual appeal of the products. Mot. 10:16-19.

24 Plaintiff disputes this interpretation of Defendants'
25 survey results. Pl.'s Statement of Genuine Issues
26 ("SGI") ¶¶ 54, 55. Defendants dispute Plaintiff's
27 interpretation of Defendants' survey results, arguing
28 that their experts relied on "well-established

1 methodology" in making their conclusions. Reply 7:22-
2 27. Thus, there is a genuine issue as to the material
3 fact of customer interpretation.

4 Regarding the second factor, Defendants argue that
5 Plaintiff's designs are not exclusive, but in fact
6 "common place adaptations of pre-existing designs based
7 on historical resources and consistent with furniture
8 trends in the industry." Mot. 11:19-21. Defendants
9 contend that "courts frequently grant summary judgment
10 when the evidence demonstrates that the purported trade
11 dress of the furniture product design is generic and
12 common in the market." Id. at 11:26-28 (citing Pride
13 Family Brands, Inc. v. Carl's Patio, Inc., 2014 WL
14 347040, at *4 (S.D. Fla. Jan 30, 2014)). Here,
15 Defendants argue, "it is undisputed that the purported
16 trade dress of the AICO Subject Products is found
17 throughout numerous periods of history and that the
18 current marketplace is inundated with similar designs."
19 Id. at 12:4-11. In contrast, Plaintiff contends that
20 Defendants ignore the definition of "trade dress" when
21 they argue that Plaintiff's trade dress is found
22 throughout numerous periods of history and is
23 widespread in the current marketplace. Opp'n 8:21-24
24 (citing International Jensen, Inc. v. Metrosound
25 U.S.A., Inc., 4 F.3d 819, 822 (9th Cir. 1993)(defining
26 trade dress as "the total image of a product and may
27 include features such as size, shape, color, color
28 combinations, texture or graphics.")). Plaintiff

1 contends that Defendant has neither identified a single
2 example from history, nor a single example in the
3 current marketplace, that has the trade dress of the
4 AICO subject products. Id. at 9:17-25 (citing SGI at
5 ¶¶ 15-44). Whether or not Plaintiff's designs are, in
6 fact, exclusive, or simply redundant, is an issue for
7 the trier of fact, as Defendants have clearly failed to
8 show as a matter of law that the designs are non-
9 exclusive.

10 Regarding the third factor, Defendants claim that
11 Plaintiff's advertising and marketing have been
12 ineffective as they relate to consumer identification
13 of "trade dress" with a single source of origin. Mot.
14 12:13-14. In terms of the amount and manner of
15 advertising, Plaintiff argues that it has taken
16 advantage of "today's communications media with great
17 zeal and efficacy," which can lead to rapid secondary
18 meaning. See Opp'n 11:8-17. Additionally, Plaintiff
19 contends that it spends substantial sums advertising
20 its products and has a substantial presence at
21 well-attended regular industry trade shows, in trade
22 publications, in consumer magazines, on its website,
23 through social media, and through its product
24 catalogues. Id. at 11:17-21 (citing SGI ¶¶ 53, 55, 57,
25 58, 69-73, 75, 76, 79, 81-83, 101-103, 105, 108-111,
26 112, 113).¹ There is a genuine issue of material fact

27
28 ¹Defendants object to all of the Buehler Deposition
for lack of foundation. This objection should be

1 as to whether Plaintiff's advertising and marketing
2 have been effective.

3 Regarding the fourth factor, amount of sales,
4 Defendants argue that Plaintiff has offered no evidence
5 that the purported amount of product sales are
6 sufficient to infer secondary meaning. Mot. 13:19-22.
7 Plaintiff argues that its millions of dollars in sales,
8 hundreds of retail store dealers selling these
9 products, and thousands of end users who have purchased
10 its products indicate significant market penetration
11 such that a jury could find Plaintiff's products
12 possess secondary meaning. Opp'n 13:3-15.

13 Regarding the fifth factor, Defendants argue that
14 Plaintiff has not established a place or identification
15 in the market for a particular mark. Id. at 14:14-15.
16 In particular, Defendant argues that the nature of the
17 furniture market makes it difficult to establish
18 secondary meaning and notes that Plaintiff has not
19 offered evidence regarding its sales numbers relative
20 to market share. Mot. 14:18-24. Plaintiff, in
21 contrast, argues that Defendants do not address the
22

23 denied as Deponent has expertise in the area in which
24 he testifies. Defendants also object to the
25 declaration of C. Reilly in its entirety because it is
26 "self-serving." While Defendant's cite case law
27 indicating the Court may be skeptical of the ability of
28 an associate of a trademark holder to be objective in
valuing the holder's mark, Defendant overstates this
meaning to require that Reilly's testimony should not
be admitted.

1 facts specific to Plaintiff's established place in the
2 market, instead offering "only generalizations about
3 the furniture market." Opp'n 14:10-11. Plaintiff
4 asserts that it (1) has advertised inside the front
5 cover of "virtually every issue of Furniture Today for
6 years"; (2) regularly displays and advertises the
7 relevant furniture at the industry's largest trade
8 shows; and (3) has received recognition for its
9 leadership in the industry. Id. at 14:12-18. These
10 facts, taken together, could lead a reasonable jury to
11 find that Plaintiff has an established place in the
12 furniture industry. Id. at 14:19-22.

13 Regarding the sixth factor, Defendants argue that
14 Plaintiff has offered no evidence of actual confusion.
15 Mot. 14:26-27. Plaintiff admits that it does not have
16 evidence of actual confusion "per se" but contends that
17 it has indirect evidence that Defendant may have been
18 attempting to cause consumer confusion. Opp'n 14:24-
19 15:1. Plaintiff contends that its absence of direct
20 evidence establishing confusion is not fatal to a
21 finding of secondary meaning, because the critical
22 factor is not actual confusion, but a likelihood of
23 confusion. Id. at 15:2-10 (explaining why Woodsmith
24 Publishing Co. v. Meredith Corp., 904 F.2d 1244, 1249-
25 50 (8th Cir. 1990), is not fatal to its claim as
26 Defendant alleges). Defendants argue that their own
27 evidence indicates a lack of probability of confusion
28 and argue that this evidence should be sufficient for

1 summary judgment in their favor. Id. at 15:1-12. This
2 dispute creates a genuine issue of material fact, and
3 shows that Defendants cannot be said to have shown no
4 likelihood of confusion as a matter of law.

5 Regarding the seventh and final factor, Defendants
6 argue that Plaintiff has not submitted evidence of
7 intentional copying. Mot. 15:13-15. Plaintiff
8 wholeheartedly disputes this, arguing that Defendants'
9 past history of infringing Plaintiff's and others'
10 products is evidence of Defendants' modus operandi and
11 evinces an intent to intentionally copy Plaintiff.
12 Opp'n 15:15-19. Plaintiff also argues that the
13 "extremely similar" names Defendants gave their
14 products is circumstantial evidence of intentional
15 copying. Id. at 15:20-24. Further, Plaintiff argues
16 that Defendants' alleged examples of historical and
17 contemporary furniture similarities to Plaintiff's
18 products is evidence of intentional copying because
19 these products are not nearly as similar to Plaintiff's
20 products as Defendants' products. Id. at 15:25-16:5.
21 Finally, Plaintiff asserts that its own expert offers
22 compelling evidence that Defendants intended to copy
23 Plaintiff's products. Id. at 16:6-12 (citing SGI ¶¶
24 69, 77). Accordingly, there is a clear dispute as to
25 this material fact such that summary judgment is
26 inappropriate on the issue of secondary meaning.

27 With respect to the trade dress claim, Defendants
28 also argue that Plaintiff's trade dress is generic by

1 nature, which is fatal to its claim because non-
2 genericness is a prima facie element of a plaintiff's
3 claim for trade dress infringement. Mot. 16:5-11
4 (citing Kendall-Jackson Winery, Ltd. v. E. & J. Gallo
5 Winery, 150 F.3d 1042, 1051 (9th Cir. 1998); Walker &
6 Zanger, Inc. v. Paragon Indus., Inc., 549 F. Supp. 2d
7 1168, 1173 (N.D. Cal. 2007)). Defendant asserts two
8 reasons for the Court to find, as a matter of law, that
9 Plaintiff's trade dress is generic and thus not
10 entitled to protection: (1) Plaintiff's definition of
11 the alleged trade dress is overbroad; and (2) the
12 product design is so common in the industry that it
13 cannot be said to identify a particular source. Id. at
14 16:1-19:15.

15 With respect to over-breadth, the Court finds that
16 Defendant has failed to demonstrate that Plaintiff's
17 definition is overbroad as a matter of law. While
18 Defendant identifies certain words that it alleges are
19 so "nondescript" as to warrant summary judgment, it is
20 not clear that Plaintiff has "resort[ed] to empty
21 generalities in the face of more precise alternatives."
22 Walker & Zanger, 549 F. Supp. 2d at 1176. For example,
23 in defining the trade dress of the Hollywood Swank
24 bedroom collection bed, Plaintiff describes: the
25 specific colors that make up the color combination; the
26 overall linear design; the precise location of certain
27 decorative elements ("thin, banded element parallel to
28 and just below top border of headboard"); the material

1 and design of the headboard; precise elements of the
2 front of the bed ("shiny or sparkling inserts in spaced
3 recesses of upholstered front surface"); a clear
4 description of the arrangement of the legs of the bed
5 ("said legs comprising an articulated projection have a
6 saucer-like appearance at its middle portion"); and a
7 clear description of the footboard ("straight, squared,
8 unadorned footboard and rails with legs prominent").

9 SGI ¶ 3. While it is true that Plaintiff uses certain
10 descriptors that could, taken alone, be considered
11 generic, it is difficult to determine how Plaintiff
12 could be more descriptive given the entire design it
13 must describe. Further, while Defendant cites Walker &
14 Zanger in attempting to explain why Plaintiff's trade
15 dress definition is too generic, Plaintiff's
16 description appears to avoid the pitfalls of the trade
17 dress description in Walker & Zanger. For example, in
18 Walker & Zanger, the court noted that using terms such
19 as "rustic look" or "weathered look," Plaintiff left
20 the boundaries of the trade dress rights unclear, here,
21 it is Defendant, not Plaintiff, who uses such
22 descriptors. 549 F. Supp. 2d at 1176. In Walker &
23 Zanger, the court indicated that the plaintiff "should
24 list the actual colors rather than claim a palette of
25 colors reminiscent of Provence"; here, Plaintiff lists
26 the actual colors of its designs. Id. Accordingly, it
27 cannot be said that as a matter of law, Plaintiff's
28 trade dress description is too generic.

1 Next, Defendant argues that Plaintiff's trade
2 dress is generic because it is so common in the
3 industry that it cannot be said to identify a
4 particular source. Mot. 17:20-21. Specifically,
5 Plaintiff contends that "[c]ourts have specifically
6 held that trade dress is 'generic' an unprotectable
7 where, as here, Plaintiff's competitors offer similar
8 items and where the product design is based on
9 historical designs." Id. at 17:25-28 (citing Walker &
10 Zanger, 549 F.Supp.2d at 1174-75. Unlike in Walker &
11 Zanger, however, in which the plaintiff's own witnesses
12 admitted that at least eight competitors marketed and
13 sold a similar tile line, 549 F.Supp.2d at 1176, here,
14 Plaintiff disputes that anyone other than Defendant is
15 selling a similar line of furniture. See Opp'n 20:1-8.
16 Additionally, while Defendants argue that there are
17 many products currently featuring "common design
18 elements" of Plaintiff's products, Mot. 18:6-7,
19 Plaintiff argues that critically, these products do not
20 embody all, or even substantially all, of Plaintiff's
21 trade dress components, Opp'n 20:4-6. Accordingly, the
22 question of whether Plaintiff's trade dress is generic
23 based on industry commonality is one for a jury.

24 ii. *Copyright Infringement Claim*

25 To establish copyright infringement, a plaintiff
26 must show that: (1) it owns a copyright covering the
27 allegedly infringed work, and (2) the defendant copied
28 the protected work without authorization. Smith v.

1 Jackson, 84 F.3d 1213, 1218 (9th Cir. 1996). Defendant
 2 asserts first that "any expressive elements contained
 3 in the Villa Valencia bed are generic and unoriginal,
 4 and do not satisfy the 'originality' test required for
 5 copyright protection." Mot. 4-6. For the reasons
 6 discussed above, Defendant has not shown that as a
 7 matter of law, Plaintiff's designs, when taken in their
 8 entirety, are generic.

9 Defendant then asserts that Plaintiff should only
 10 be afforded "thin" copyright protection and that it
 11 cannot satisfy the resulting "virtually identical"
 12 standard. Mot. 21:21-22:15. While the appropriateness
 13 of applying a thin copyright protection standard is
 14 questionable, even if the Court applies the heightened
 15 "virtually identical" standard, Defendant has not shown
 16 an absence of dispute as to a material fact and that it
 17 is entitled to judgment as a matter of law. Defendant
 18 argues that there are "many design differences." Mot.
 19 23:5-8 (citing Statement of Undisputed Facts ("SUF") ¶¶
 20 84-92). Plaintiff argues that there are "minor" design
 21 differences that pertain to less noticeable aspects of
 22 the product. Opp'n 22:4-11 (citing SGI ¶¶ 84-92).²
 23 This dispute as to a material fact precludes summary
 24 judgment.

25 iii. *Injunctive Relief*

26 Defendants argue that Plaintiff has admitted it has

27
 28 ² Defendant's objections to the Nielson and Buehler
 declarations are addressed above.

1 no evidence of actual confusion, that Plaintiff did not
2 seek a preliminary injunction, and that Plaintiff is
3 not seeking actual damages. Mot. 24:19-22.

4 Accordingly, Defendants argue that Plaintiff should be
5 barred from obtaining injunctive relief. Id. at 24:22-
6 24. Plaintiff argues that while there is no longer a
7 presumption of irreparable harm upon a finding of
8 success on the merits, Defendants are incorrect that
9 Plaintiff is barred from obtaining permanent injunctive
10 relief because it did not seek a preliminary injunction
11 and because it is not seeking its lost profits or
12 actual damages. Opp'n 22:25-23:1. Plaintiff argues
13 that seeking damages based on Defendants' profits does
14 not preclude it from showing irreparable harm, and that
15 disgorgement of an infringer's profits is a permissible
16 remedy. Id. at 23:4-8 (citing Ninth Circuit Model Jury
17 Instruction 15.26; Jerry's Famous Deli, Inc. v.
18 Papanicolaou, 383 F.3d 998, 1004-05 (9th Cir. 2004)).
19 As discussed above, Plaintiff has offered evidence of
20 irreparable harm; whether Plaintiff will ultimately
21 prevail in showing that it is suffering actual
22 irreparable harm such that a permanent injunction is
23 warranted is not ripe for this Court to determine at
24 the summary judgment stage.

25 iv. *Personal Liability for Sharon Lin*

26 Finally, Defendants argue that Defendant Sharon Lin
27 should not be subject to personal liability because
28 Plaintiff has submitted no evidence that Sharon Lin

1 personally took part in the allegedly infringing
2 activities or specifically directed employees to do so.
3 Id. at 24:27-25:3. Plaintiff argues that a corporate
4 officer is individually liable for the torts he or she
5 personally commits and cannot shield himself or herself
6 behind a corporation when he or she is an actual
7 participant in the tort. Opp'n 23:12-16 (citing
8 Transgo, Inc. v. Ajac Transmission Parts Corp., 768
9 F.2d 1001, 1021 (9th Cir. 1985)). Plaintiff argues and
10 has presented evidence that Defendant Lin is the sole
11 officer of McFerran, and is responsible for failing to
12 heed two separate requests to cease and desist the
13 accused activities. Id. at 24:11-15 (citing SGI ¶ 77).
14 Plaintiff also argues and has presented evidence that
15 Defendant Lin was a direct participant in the accused
16 activities because she was in communications with the
17 alleged designer of the infringing products. Id. at
18 24:11-18 (citing SGI ¶ 77). Plaintiff and Defendants
19 dispute the nature of Defendant Lin's involvement;
20 accordingly, the Court finds that Plaintiff has
21 presented sufficient evidence to avoid summary judgment
22 on this issue.

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III. CONCLUSION

For the reasons set forth above, the Court **DENIES** Defendants' Motion for Summary Judgment.

IT IS SO ORDERED.

DATED: December 12, 2014

RONALD S.W. LEW

HONORABLE RONALD S.W. LEW
Senior U.S. District Judge